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Item 3 (b) (ii) of the provisional agenda

Activities and administration of the TIR Executive Board

Administration of the TIR Executive Board and the TIR secretariat

Procedure for financing of the operation of the TIRExB and TIR secretariat

Budget proposal and cost plan for the year 2011

Summary

The present document is submitted pursuant to Annex 8, Article 13, paragraph 1 of the TIR Convention, 1975, which stipulates that the budget and cost plan of the TIR Executive Board (TIRExB) and TIR secretariat has to be approved by the Administrative Committee.

1. In accordance with Annex 8, Article 13 of the Convention, the TIRExB has prepared the present budget proposal and a cost plan providing for its operation in the year 2011. The budget proposal and cost plan, as contained in the present document, will be finalized and approved by the TIRExB at its September meeting prior to the meeting of the TIR Administrative Committee. Modifications, if any, decided upon by the TIRExB at this meeting, will be reflected in a corrigendum to this document.
2. The budget proposal and cost plan for the year 2011 do not differ from the approved budget and cost plan of the TIRExB and the TIR secretariat for the year 2010, as contained in document TRANS/WP.30/AC.2/2009/9. The proposed cost plan for 2011 is estimated at US\$ 1,474,800 inclusive of programme support cost (see annex I).
3. The United Nations requires that an operating cash reserve at the level of 15 per cent of the annual estimated expenditures be maintained to cover exchange rate fluctuation, any shortfalls and to meet final expenditures including any liquidating liabilities. An operating cash reserve equivalent to US\$ 195,800 (i.e. 15 per cent of US\$ 1,305,100) would therefore need to be provided in 2011. As such the total 2011 estimated resource requirements amount to a total of US\$ 1,670,600. However, taking into account the estimated available balance at 31 December 2010 available for 2011 operations (US\$ 711,600), the actual additional amount required for 2011 is estimated at US\$ 959,000 (rounded). The resources of US\$ 305,000, exceptionally transferred by IRU in 2004 to be used in the event of termination of the UNECE/IRU agreement, and the provision of US\$ 307,100 for Installation and Separation Costs will be left unallotted and carried forward from year to year until required (see Fund Statement in annex II for details of all the foregoing).
4. It is currently estimated that somemillion TIR Carnets will be issued in 2011. Under this scenario, an amount per TIR Carnet of US\$ will be required to generate the income necessary to cover the additional funds of US\$ 959,000 needed for the 2011 operations.
5. Annex 2 of ECE/TRANS/WP.30/AC.2/89 provides steps, procedures and related timeline for the financing of the operation of the TIRExB.

Annex I

Proposed Cost Plan for 2011

Programme: TIR Executive Board (TIRExB) and TIR secretariat
(Title of Trust Fund: "Transport International Routier - TIR" Account No.: ZL-RER-8001)

<i>Object of expenditure</i>	<i>Amount (in US\$)</i>
Project Personnel	919 100
Administrative Support Personnel	228 000
Consultants fees and travels	30 000
Travel on official business	40 000
Travel of experts	30 000
Staff Training	15 000
Office automation & equipment	20 000
Operation and maintenance of equipment	2 000
External contractual services	20 000
General operating expenses	1 000
Total estimated direct expenditures	1 305 100
Programme Support (13% of Total expenditures)	169 700
Grand total	1 474 800

TIR Trust Fund resource requirements for the year 2011

Project Personnel US\$ 919,100

The proposed amount under this object of expenditure is intended to cover the salary and related costs¹ for one year of five experts on fixed-term appointments: one Customs expert, one Legal officer, one Project Management expert and two Computer Information System experts. It also includes provisions for a short-term expert to assist in the development of mandated IT projects.

Administrative Support Personnel US\$ 228,000

The proposed amount under this object of expenditure is intended to cover the salary and related costs² of two administrative support staff for one year.

Consultant fees and travels US\$ 30,000

The proposed amount under this object of expenditure is intended to cover consultancy costs for a security audit to test the level of security of the Internet applications developed within the secretariat: ITDBonline+ project.

¹ In line with the United Nations Staff regulations and Rules.

² In line with the United Nations Staff regulations and Rules.

Travel on official business US\$ 40,000

The proposed amount under this object of expenditure is intended to cover the travel cost of Project Staff and the TIR Secretary.

Travel of experts US\$ 30,000

The proposed amount under this object of expenditure is intended to cover DSA for the nine members of the TIRExB for meetings held in Geneva and outside Geneva.

Staff Training US\$ 15,000

The proposed amount under this object of expenditure is intended to cover training costs of the TIR secretariat staff.

Office automation & equipment US\$ 20,000

The proposed amount under this object of expenditure is intended to cover the acquisition and replacement of relevant electronic and computer office equipment (PCs, printers, copy machine, fax, office furniture, etc.), including data base hard and software systems.

Operation and maintenance of equipment US\$ 2,000

The proposed amount under this object of expenditure is intended to cover the cost of repair and maintenance of office and computer equipment (PCs, printers, copy machine, fax, etc.).

External contractual services US\$ 20,000

The proposed amount under this object of expenditure is intended to cover expenses for meeting rooms, interpretations, translations, external printing of training materials, hospitality, telephone/fax, miscellaneous expenses, etc., related to one TIR Seminar and one TIRExB meetings organized outside the UN premises.

General operating expenses US\$ 1,000

The proposed amount under this object of expenditure is to provide for communication costs (i.e. postage, fax, long distance calls, and pouch) and other miscellaneous expenses.

Annex II

Local Technical Cooperation Trust Fund			
Transport international routier - TIR			
Fund Statement (US Dollars)			
(1) 2011 Projected Expenditures:			
2011 Estimated direct expenditures			1 305 100
13 % Programme Support Cost			169 700
15% Operating Cash Reserve (US\$1 305 100 X 15%)			<u>195 800</u>
2011 Estimated projected requirements (rounded) ^{1/}			1 670 600
Estimated Funds Available at 31 December 2010::			
Actual fund balance at 31 December 2009 ^{2/}	1 773 808		
2010 Contribution received in 2009	<u>700 000</u>		
Total funds as at 31 December 2010^{3/}		2 473 808	
Less:(The following estimates are inclusive of 13% Programme Support Cost)			
2010 Estimated projected expenditures	1 150 108		
Provision for Installation and Separation Costs	307 100	<u>1 762 208</u>	
Provision for early termination UNECE/IRU Agreement (forwarded year-to-year)	<u>305 000</u>		
(2) Total estimated available balance as at 31 December 2010 for 2011 operations			<u>711 600</u>
(3) Estimated Funds to be transferred for 2011 operation [(1)-(2)] (rounded)			<u><u>959 000</u></u>
Note 1:	The Operating Cash Reserve will be used to complement the provision for separation costs in case of closure of the TIR secretariat..		
Note 2:	See document ECE/TRANS/WP.30/AC.2/2010/10.		
Note 3:	Source: UNOG Financial statements.		